

1. Project Area Description and Plans for Revitalization

1.a. Target Area and Brownfields

1.a.i. Background and Description of Target Area:

The City of South Portland, Maine is part of the Portland-South Portland-Biddeford Metropolitan Statistical Area (MSA). At the core of the MSA, the City is an urban community with a diverse mix of housing types, demographics, industry, and commercial establishments. A significant amount of South Portland's development occurred in the 1960s. This includes the Thornton Heights Neighborhood, in which the St. John's the Evangelist Church and School campus were constructed at 611 Main Street (site). Since construction, the Church and School contributed to the vitality of the neighborhood and City for over fifty years. Unfortunately, due to declining attendance, the Diocese abandoned the property in 2013 and the site has remained vacant, unmaintained, and without heat since. As a result, it is rapidly deteriorating due to water infiltration and resulting mold growth, which has rendered the buildings uninhabitable and lead impacted soil around the buildings that present a risk to site users and surrounding residents.

The target community for this grant is the Thornton Heights Neighborhood, Main Street/Route 1 corridor, and census tract 23005003000 (Census Tract 30 in Maine). The site's two acres occupy a central location in Thornton Heights that are closely surrounded by neighboring homes and commercial businesses, with many vacant industrial and commercial facilities nearby. As such, the continued deterioration and vacancy of the site buildings have rendered the buildings a blight and are a negative impact on the safety and vitality of the neighborhood. The site is also within 0.3 miles of the 200-acre Rigby Railyard, which has been the site of heavy industrial activity since the 1920s. This includes the storage and shipping of hazardous chemicals and rail maintenance activity which makes Rigby Yard another Brownfield site. Finally, Tract 30, demonstrates negative demographics for unemployment, poverty, income, and education, compared to South Portland, the MSA, State and Nation as evidenced below. The site also fronts on Main Street/Route 1 in an area identified by the City for redevelopment. To start the redevelopment process, the City has laid the foundation for economic development through the installation of new sidewalks, traffic calming measures, landscaping, and new decorative street lights with banners.

	Census Tract 30	S. Portland	Portland-S. Portland MSA	Maine	Nation
Population	6,485	25,431	525,776	1.33MM	321MM
Unemployment	7.5%	6.1%	4.3%	5.3%	6.6%
Poverty Rate	19%	12.4%	9.9%	12.9%	14.6%
Median Household Income	49,167	59,515	63,992	53,024	57,652
Other: Median Year Housing Built	1971	1959	1975	1975	1977
Other: Education (Bachelor's or Higher)	26%	43%	39%	30%	31%

Table Source: U.S. Census 2017 American Community Survey available on American Factfinder at <https://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml>

1.a.ii. Description of Brownfields Site(s)

The site is 1.81 acres with a generally rectangular shape. The Site fronts to the east on Main Street/Route 1, Aspen Avenue and Thirlmere Avenue to the south and north, single-family residences and west. The property has a relatively level topography and is occupied by the

abandoned St. John's the Evangelist Church, Church School, and rectory (i.e. a residence) with associated parking and assorted landscaping. The Site was first developed with a church and residences in the early 1940s. In the early 1960s the residences on the Site were demolished, the church was either reconstructed or renovated, and the church school and rectory were constructed. Recent Phase II ESA and building surveys have identified substantial quantities of asbestos, lead paint, and low-level PCBs in building materials throughout the Site buildings, which is typical of buildings of that era. In addition, exterior lead paints have impacted some areas of soil around the church and rectory. The proper cleanup of these materials greatly adds to the overall cost to redevelop the property, and is one of the reasons that the property has remained vacant since its abandonment. The site is not located in a federal flood plain or near a body of water.

1.b. Revitalization of the Target Area

1.b.i. Redevelopment Strategy and Alignment with Revitalization Plans:

The site will be redeveloped into a new 46,000 s.f. four-story mixed-use affordable housing project that will include parking for seventy vehicles, a 10,000 s.f. community open space, and three new single-family house lots. The building consists of 42 apartments on the three upper floors, and community space and 7,000 s.f. of commercial space on the ground floor. 33 of the apartments will be reserved for those making 60% of the area median income or less. The remainder will be offered at below market rents. In support of the City's Comprehensive Plan, the design calls for the commercial space to provide pedestrian-oriented street level retail and commercial opportunities adjacent to Main Street/Route 1. This includes a 10-foot-deep paved outdoor seating area along the length of the building, a new playground or community garden, and pathways for property and neighborhood residents.

The Thornton Heights Commons project is in direct alignment with the City's land use and revitalization plans for the Main Street/Route 1 corridor. The City's 2012 Comprehensive Plan identified this area as the future, "Main Street Community Commercial Hub." The goal is to create a community commercial corridor which, "evolves into a more attractive and pedestrian-friendly environment as existing properties are improved and redevelopment occurs. Buildings are located closer to the street. The space between the sidewalk and the building is used for pedestrian amenities or landscaping rather than motor vehicle facilities or parking." A photosimulation on page 5-9 of the City's plan is a close replica of the proposed Thornton Heights Commons. In recognition of Thornton Heights Commons implementation of the Comprehensive Plan's goals, the City Council adopted a conditional zone in May 2018 specifically for the project and subsequently the project received subdivision and site plan approval from the Planning Board in July 2018. Accordingly, the project has received all necessary land use approvals to move forward. In addition to land use approvals, the City Council also awarded the project an Affordable Housing TIF District that will reduce the project's local property taxes by 75% over 30 years. This reduction in operating costs is being used to raise additional debt for project construction.

1.b.ii. Outcomes and Benefits of Redevelopment Strategy:

As noted, above, Thornton Heights Commons will be built in the area designated by South Portland's comprehensive plan to be the, "Main Street Community Commercial Hub," identified Main Street for economic development, and allocated significant public infrastructure resources through the construction of new sidewalks, traffic calming installations, decorative light poles and banners that will intertwine with our project. As a result of this public investment, Thornton Heights and Main Street could become a great walkable neighborhood. Unfortunately, the current Main Street corridor provides very few commercial spaces that support this walkability with

commercial establishments that offer items for daily needs or places for neighbors to congregate. Thornton Heights Commons will be the first project to build on the City's vision and work. When complete, the redevelopment will create 7,000 s.f. of new on-street retail/commercial space that will provide neighborhood residents with nearby places to buy groceries, or meet for a cup of coffee. In addition, the South Portland Housing Development Corporation (SPHDC) is working with the South Portland Police Department to provide free space for a community policing office to further improve safety in the neighborhood. Thus, the redevelopment facilitated by the brownfields grant will continue use of this property for the public good by a non-profit agency.

The residential portion of the building will create 42 new one, two, and three-bedroom apartments and 3 single-family residential lots that will provide high quality, safe, and affordable housing for up to 70 new residents. To quantify the housing's positive impact, residents in the two-bedroom apartments designated for households making 50% Area Median Income will pay \$1,013 per month (including utilities). This is \$637 less than the going market rent (\$1,650) and represents 30% of income for households with four persons making a combined \$45,000 per year. This assistance provides the stable foundation that is so critical in residents' ability to maintain employment, succeed in school, reduce health care costs, and rise out of poverty. The construction of Thornton Heights Commons will produce direct and indirect impacts in the regional economy. A similar (though slightly smaller) 38-unit affordable housing project completed in nearby Westbrook, Maine resulted in the creation of 54 full time equivalent direct construction jobs with an average hourly rate of \$24.75. These jobs in turn supported an additional 39 indirect workers in the areas of manufacturing and administration. In total, \$711,000 in wages were paid to Maine workers who support the local economy.¹ Thornton Heights Commons will have an even more impact due to its greater number of apartment units and commercial space. Additionally, as a tax-exempt church campus, 611 Main Street did not generate any taxable income. The Thornton Heights Commons redevelopment will generate \$41,048 in new local property taxes for the City.

Approximately 10,000 s.f. of the redeveloped property will be set aside as new community open space. The SPHDC has been working with the South Portland Land Trust to develop a community garden that will be open to residents of the site and the community. This will be only the third community garden in the City, and the only one in Thornton Heights or Census Tract 30. The community garden, which will be managed by the Land Trust, will advance the unofficial "Local Food Movement" by providing residents with the opportunity to grow fresh produce close to home. Finally, the new building will incorporate several energy efficient/renewable energy features:

- **Insulation and Heating:** The building will utilize a combination of high efficiency insulation methods, and mechanical systems will include high-efficiency natural gas fired boilers and electric heat pumps. Windows will be high efficiency, with triple-paned models used on the front façade to add noise mitigation.
- **Water Conservation:** Project specifications include ultra-low-flow toilets, faucets, showerheads, water-efficient dishwashers and water-conserving washing machines.
- **Electrical:** Energy Star Appliances and fixtures will be used and solar photovoltaic panels will be installed on the roof.

¹ Westbrook (Maine) Development Corporation and Benchmark Construction, Construction Records for Arthur O. Berry Apartments, Liza Harmon Drive, Westbrook, Maine 04092, Construction completed 2018

1.c. Strategy for Leveraging Resources

1.c.i. Resources Needed for Site Reuse: Thornton Heights Commons is a public-private partnership that will result in an investment of over \$10 million dollars in the city, census tract and neighborhood. Accordingly, EPA Brownfields funding will leverage the following secured funds and documentation of these commitments is included in **Attachment C**:

Funding Source	Amount (\$)
LIHTC Equity (MaineHousing and Boston Financial)	5,807,000
MaineHousing Debt	2,870,000
MaineHousing Deferred Debt (Subsidy)	649,569
Federal Home Loan Bank of Boston Deferred Debt (Grant)	500,000
Federal Home Loan Bank of Boston Debt	1,708,763
S. Portland Housing Development Corp. Equity	500,000

The SPHDC will be obtaining a construction loan (\$7.4MM) and permanent market-rate loan (\$700K) for the building's commercial space from Gorham Savings Bank. The SPHDC has applied for a \$100,000 Community Development Block Grant from the City of South Portland to pay for additional abatement and demolition costs. If awarded, the SPHDC will use these funds as its 20% cost share. CDBG funding announcements are expected in February 2019.

1.c.ii. Use of Existing Infrastructure:

The site will be connected to existing South Portland public water, sewer, and stormwater systems, existing natural gas, electricity systems, and internet. In addition, South Portland has upgraded the adjoining sidewalks and lighting, and the Site is located on an existing public bus route.

2. Community Need and Engagement

2.a. Community Need

2.a.i. The Community's Need for Funding:

The City of South Portland is an urban center that is home to a diverse population. While the median income of the City is similar to that of other urban centers in Maine, Census Tract 30 has a higher poverty rate (19%), higher unemployment rate (7.5%), lower median income, and greater racial diversity (non-white pop.: Tract 9%, City 6%, State 5%)² when compared to the rest of the City and State. In addition, according to the National Low Income Housing Coalition, in 2018 only 75 affordable housing units are available per 100 low to very low income renters in Maine. Furthermore, South Portland has identified that over one third (36.7%) of its residents have incomes below the median household income and one third of that population receives some sort of housing assistance. Thornton Heights Commons is being developed to serve the housing needs for these very low and low income individuals and families.

The project has received the financial commitments identified in Section 1.c.i of this application. These funds will pay for soft costs, site work and construction of the new building; however, they will not cover the costs of remediation and demolition due to MaineHousing's funding criteria. The SPHDC has conducted thorough hazardous material surveys to estimate the extent of required remediation; however, some hidden materials were discovered. As a result, it is expected that additional hidden materials may be encountered and the actual cost of abatement will be greater than the preliminary estimate. The SPHDC has been working for over a year to successfully obtain

² U.S. Census 2017 American Community Survey available on American Factfinder at <https://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml>

the approvals and resources necessary for redevelopment. However, the funding for abatement and demolition is a significant obstacle that threatens to halt this needed community project.

2.a.ii. Threats to Sensitive Populations:

2.a.ii(1) Health or Welfare of Sensitive Populations

The elevated poverty rate and lack of affordable housing in the target area has resulted in low income residents including children to reside in substandard housing, most of which was constructed prior to 1980 when the use of lead paint was commonplace. This exposes our low and very low income children, pregnant women, and elderly to lead, which has negatively affected the community. The site is abutted on three sides by single-family and duplex homes and within 500 feet of the site are 140 properties in this densely settled neighborhood. The identified exterior lead paint hazards and contaminated soil, and continued deterioration of the St. Johns buildings increases the risk that neighborhood residents will be exposed to lead.

2.a.ii(2) Greater Than Normal Incidence of Disease and Adverse Health Conditions

According to the Maine CDC, the greater Portland area has suffered twice that of the state average of children with elevated blood lead levels (5.4% vs. 2.9% respectively). In addition, screening rates in greater Portland for lead poisoning in children were three points lower than the statewide average (25.5% vs. 28.4%). Not only does this emphasize the need for additional lead screening, but it highlights the need for lead safe and new housing where there are no hazards associated with lead paint. The remediation of the site will remove an existing lead hazard from the neighborhood and result in the construction of 42 units of affordable housing where no lead is present, thereby reducing the risk of lead poisoning.

2.a.ii(3) Economically Impoverished/Disproportionately Impacted Populations

As shown in Section 1.a.i, Census Tract 30 has a greater rate of unemployment and poverty, and lower levels of household income and educational attainment than the City of South Portland, MSA, State and Nation. This is significant when compared to the state, as the Census Tract is within the Portland MSA, which is the economic engine of Maine. In addition, Thornton Heights is home to two motels that have been the location of law enforcement raids to stop illicit drug dealing and prostitution including the use of a SWAT team and flashbangs to apprehend four persons suspected of drug dealing. As a result of this, and other illicit activity, on May 15th, 2018, South Portland denied the Maine Motel's business license. The license was ultimately reinstated by court order, in which the motel must improve oversight and cooperation with local law enforcement. This is part of the reason the SPHDC has offered the City of South Portland Police Department free space for a satellite community police station.

The shuttered and deterioration site buildings are impacting this economically impoverished Census Tract with contamination and by contributing to the unsafe environment that is conducive to the illicit activity taking place at the Main Street motels. As discussed, the high cost of hazardous material abatement threatens to stop this project's potential to advance environmental justice for the disproportionately impacted residents of the neighborhood and Census Tract.

2.b. Community Engagement

2.b.i. Community Involvement

GPCOG currently has Brownfields assessment and RLF cleanup funding. If additional assessment needs are identified prior to cleanup, or additional cleanup funding is required, GPCOG

has committed to assisting SPHDC with funding these needs. **South Portland:** The South Portland City Council adopted a Conditional Zone for the project, which outlines the standards that will guide the redevelopment of the site. South Portland further supported the project through the adoption of an Affordable Housing TIF District. The TIF lowers the local property tax by \$2,604,665 over 30 years thus enabling the project to raise more debt for project construction. **MaineHousing** is responsible for allocating federal and state resources to qualifying affordable housing projects. In November 2018, MaineHousing awarded Thornton Heights Commons a reservation of LIHTCs and \$624K in subsidy. As administrator of the tax credit program and federal subsidies, MaineHousing approves all underwriting and construction plans for consistency with state housing standards and the Americans with Disabilities Act, signs off on construction progress and contractor payments, environmental clearance according to NEPA, and ensures ongoing project compliance. In addition, MaineHousing funding requires that all projects maintain their affordability for 40 years from the date the building is placed in service.

Project Partners		
Partner Name	Point of Contact (name, email, & phone)	Specific Role in the Project
Greater Portland Council of Governments	Stephanie Carver, Director of Planning, scarver@gpcog.org , (207) 774-9891	GPCOG can provide additional Brownfields Assessment and RLF cleanup funds with existing grants.
City of South Portland	Josh Reny, Assistant City Manager, jreny@southportland.org , (207) 767-7606	Land use approvals; Affordable Housing TIF; infrastructure upgrades
MaineHousing	Mark Wiesendanger, Director of Development, mwiesendange@mainehousing.org , (207) 626-4625	Manages Low Income Housing Tax Credit program, which sets standards for the implementation of all projects.
Community Member	Victoria Morales, vicmorlaw@gmail.com (207) 216-0643	Neighborhood resident and Member of Maine House of Representatives (District 33). Has been engaged in the approval and design process. Will assist with public outreach.

2.b.ii. Incorporating Community Input

The SPHDC recognized the great potential for the 611 Main Street property to achieve smart growth and affordable housing goals. Due to the integral role the property plays in the neighborhood, the SPHDC knew that it would need to include neighborhood input in decision making. Starting in November of 2017, the SPHDC held the first of three (3) neighborhood meetings. Subsequent meetings were held in December 2017 and January 2018. The meetings focused on how a new mixed-use building could best be designed and programmed to benefit the SPHDC's affordable housing goals and help to revitalize the neighborhood.

The SPHDC's initial assumption was that neighborhood and City residents would want the St. John's church building to be retained and re-used. To achieve this, the SPHDC formed a partnership with a local Baptist parish who is looking to expand. Conceptual plans were developed that retained the church while building an adjacent mixed-use building on the land currently occupied by the rectory and church school buildings. However, when presented at the second

neighborhood meeting, this concept created concerns that there would be too many uses on the site. The concern was that there would not be enough parking during peak times of usage. Instead, supporters requested that the church be removed and that the mixed-use building could be located as close to Main Street as possible. The SPHDC used this input to reconsider retaining the church and redesigning the conceptual plans. The result is the current development plans which call for the mixed-use building to occupy the entire length of Main Street frontage which is in line with the other commercial establishments along Main Street. This layout also creates more open space to the rear of the property and enables the creation of new single-family house lots that provide a transition to the existing neighborhood. Finally, the revised site plan has the additional benefit of creating more street front commercial space for neighborhood scale businesses that were identified as a need by the community. Thus, the SPHDC has already engaged the local community and used their input to create the site layout that was ultimately approved by the City Council and Planning Board. Neighborhood input will continue to be incorporated into the final design of the building, the programming of the community open space, and the types of businesses that are established in the commercial space. The SPHDC will also engage the neighborhood in any conditions that are placed on the design of the three (3) single-family homes that are built at the rear of the property.

3.Task Descriptions, Cost Estimates, and Measuring Progress

3.a. Proposed Cleanup Plan

The proposed cleanup plan will begin by entering the site into the Maine DEP Voluntary Response Action Program (VRAP), which is Maine's VCP, and will include the preparation of an ABCA and a RAP. Prior to beginning cleanup, a public meeting and 30-day public comment period will be conducted, and bidding specifications and a request for proposals will be prepared and published to solicit bids from cleanup contractors. Once contracted, all asbestos-containing materials (ACM) will be abated in accordance with Maine DEP Chapter 425 and lead contaminated soil will be excavated for disposal until remaining soils meet the Maine DEP Remedial Action Guidelines for a residential exposure scenario. Asbestos and lead contaminated soils will be disposed of at appropriately license landfills. The site buildings will then be demolished and the demolition debris coated with lead paint, PCBs at as-found concentrations will be disposed of at appropriately licensed landfills. As feasible, inert and uncontaminated materials (e.g. bare concrete or brick, metal, etc.) will be segregated for recycling. Following remediation, a Remediation Summary Report will be prepared for the project and submitted to Maine DEP VRAP to receive a Certificate of Completion.

3.b. Description of Tasks and Activities

The following tasks will be conducted under the cleanup program:

Task I: Cooperative Agreement Oversight / Engineering: This task includes QEP procurement, the planning, engineering, design, bidding, and oversight of cleanup activities as well as programmatic management of the grant and attendance at the EPA National Brownfields Conference.

Task II: Community Involvement: This task includes development of a Community Relations Plan, holding a pre-cleanup public meeting, finalizing the Analysis of Brownfields Cleanup Alternatives / Remedial Action Plan (ABCA/RAP), submitting the quality assurance project plan (QAPP), submitting a VRAP application and work plan, and holding a second public meeting with the community when cleanup is ready to begin.

Task III: Cleanup Activities: This task includes contractor costs for soil removal and capping of remaining residual contaminated soil at the Site. This budget allocates all costs to contractual items to complete remediation activities at the Site and is further broken down as follows:

Task IV: Coordination and Final Reporting: This task includes QEP costs for ongoing coordination with the EPA Brownfields Program and the Maine DEP VRAP. Subtasks will include communications, submission of status reports, and a remediation summary report.

3.c. Cost Estimates and Outputs

Budget Categories		Project Tasks (\$)				Total
		Coop. Agreement Oversight/ Engineering	Community Involvement	Cleanup Activities	Coordination and Final Reporting	
Direct Costs	Personnel	1,175	1,410			2,585
	Fringe Benefits	250	300			550
	Travel	2,000				2,000
	Equipment					
	Supplies		1,000			1,000
	Contractual	15,000	25,000	443,865	10,000	493,865
	Other					
Total Direct Costs		18,425	27,710	443,865	10,000	500,000
Indirect Costs						
Total-Federal Funding		18,425	27,710	443,865	10,000	500,000
Cost Share (20% of requested federal funds)		5,700	2,850	88,600	2,850	100,000
Total Budget		24,125	30,560	532,465	12,850	600,000

Task I: Cooperative Agreement Oversight / Engineering: This task will include \$1,425 **personnel and fringe costs** for programmatic management of the grant including quarterly reports, and ACRES updates (25 hours at \$47 per hour and \$10/hr fringe for staff), \$2,000 for **travel** (i.e. approx. \$600 airfare, \$600 lodging, \$200 per diem, \$300 registration, and \$300 other misc. fees) to the National Brownfields Conference, and \$15,000 **contractual** costs for planning, engineering, design, and bidding (150 hours at \$100 per hour QEP). It is estimated that SPHDC will provide grant management oversight and QEP coordination as an in-kind **cost share** service at an estimated amount of \$5,700 (100 hours at \$47 per hour and \$10 fringe for staff). Outputs for this include EPA Quarterly reports, quarterly ACRES updates, engineering bidding documents, and cleanup oversight field reports.

Task II: Community Involvement: It is estimated that \$1,710 will be necessary for SPHDC **personnel and fringe costs** to advertise and attend public meetings (30 hours at \$47 per hour and \$10 fringe for staff), \$10,000 **contractual** for QEP time to finalize the ABCA/RAP and prepare the Community Relations Plan, QAPP and VRAP documents, \$15,000 for the VRAP application fee (1% of the approx. \$1.5M tax value), assist in the community outreach, and participate at the public meetings (100 hours at \$100/hour); \$1,000 in supplies that will comprise a project sign, newspaper advertising, and presentation materials. SPHDC will provide additional coordination and community outreach support outside of the public meetings as an in-kind **cost share** service at an estimated amount of \$2,850 (50 hours at \$47 per hour and \$10 fringe for staff). Outputs for this task include the Community Relations Plan, ABCA/RAP, VRAP application and No Action Assurance Letter, handouts during public meetings, and meeting minutes.

Task III: Cleanup Activities: Based on budgetary estimates prepared as part of Phase II investigations and construction planning, this task estimates approximately \$175,000 **contractual** for the abatement of asbestos, approximately \$40,000 **contractual** for the removal and disposal of contaminated soil, \$8,865 **contractual** for the incidental removal of fuel oil ASTs to access asbestos in the buildings, \$200,000 **contractual** for the demolition of the buildings and disposal of additional asbestos, lead, and PCB contaminated wastes, and \$20,000 **contractual** for on-site oversight and documentation (150 hours at \$100 per hour QEP and \$10,000 laboratory and equipment). SPHDC will provide at least \$88,600 of **cost share** through direct expenditure to the QEP or cleanup contractors. Outputs for this task will include QEP field reports, permits, disposal documentation, and Davis-Bacon compliance documents.

Task IV: Coordination and Final Reporting: This task estimates \$5,000 **contractual** for QEP time for preparing the remediation summary report (50 hours at \$100 per hour) and \$5,000 **contractual** in legal fees, VRAP compliance and preparing and filing a Declaration of Environmental Covenant if required by VRAP. SPHDC will provide coordination with the EPA and DEP as an in-kind **cost share** service at an estimated \$2,850 (50 hours at \$47 per hour and \$10 fringe for staff). Outputs include the remediation summary report as well as a Certificate of Completion from the Maine DEP VRAP.

3.d. Measuring Environmental Results:

SPHDC will contract a QEP and construction manager to coordinate and oversee the cleanup and overall redevelopment of the site. The QEP will be responsible for ensuring appropriate regulatory submittals and outputs are completed on time, cleanup documentation and contractor submittals are transmitted to the project team. The QEP and the construction manager will ensure the cleanup contractors conduct work efficiently and remain on schedule. All outputs and outcomes resulting from the implementation of this program will be communicated to the EPA and Maine DEP in addition to submitting quarterly progress reports and updating the ACRES database. SPHDC will oversee the QEP and construction manager and regularly review contract submittals, schedules, and work plans to ensure that all grant requirements and project outcomes are met within the timeframe of the cooperative agreement.

4. Programmatic Capability and Past Performance

4.a. Programmatic Capability

4.a.i Organizational Structure

The SPHDC is a non-profit 501(c)(3) corporation governed by a twelve (12) member board of directors. The SPHDC was established by the SPHA as its non-profit affiliate to develop, own and operate affordable housing. While the SPHDC and SPHA are affiliated, we have separate roles. The SPHDC serves as developer of affordable housing that it owns with the intention of preserving long-term affordability for its projects. The SPHA, by agreement, manages and maintains each of the SPHDC's housing developments. The primary funding vehicle for this development is the LIHTC program. As required by the IRS, developments created using the LIHTC program must be organized as limited partnerships. In the case of Thornton Heights Commons, the SPHDC will serve as the general partner of the Limited Partnership. The general partner is the minority owner who is responsible for managing all development tasks and activities. In addition, SPHDC will also be the sole partner in the development and ownership of the condominium that is created to develop the commercial space within Thornton Heights Commons.

The SPHDC and SPHA have the organizational capacity to execute the Thornton Heights Commons project and expend all EPA Brownfields Cleanup grant funds within the 3-year period

of performance. In fact, with all funding necessary for project construction having already been committed, the SPHDC anticipates expending all EPA Brownfields Cleanup funds within one year of receiving an award. The key SPHDC and SPHA staff responsible for development and operation of Thornton Heights Commons are as follows:

- Brooks More is the SPHA/SPHDC Director of Development and previously worked as a Development Officer with Avesta Housing in Portland, Maine. With Avesta, Brooks successfully managed the development of over 100 affordable apartments. Mr. More will act as the project director and oversee all aspects of the Brownfields workplan execution.
- Mike Hulse is the Executive Director of the SPHA and the Treasurer and Secretary of the SPHDC Board of Directors. The SPHA owns/manages 735 affordable apartments including housing financed through HUD, Sec. 8, LIHTC. Of the SPHA's portfolio, 247 apartments are under the LIHTC program. Mike's primary role in Thornton Heights Commons will be ensuring the SPHA's ongoing management of leasing, auditing, and maintenance activities.
- Kristie Bradbury, SPHA Director of Finance. Ms. Bradbury provides financial management of all SPHA and SPHDC properties and/or accounts. Prior to her current position, Ms. Bradbury was the Deputy Finance Director for the City of South Portland. She is a licensed CPA and has been in finance for over 19 years. Kristie will be responsible for financial oversight and compliance of all funding sources and ongoing financial reporting once the project is complete.

4.a.ii Acquiring Additional Resources

The SPHDC is a nonprofit development corporation that can hire contractors through sole source or bid processes. How a contractor is hired depends upon the development stage of a project. Hiring pre-development services, such as architects or engineers, where SPHDC is using its own resources do not require a bid process. Once a project has received third-party funding sources, such as LIHTC, the larger cost services must be competitively bid. For instance, the construction management firm for the project will be acquired through a formal RFP process. Thereafter, the construction manager will be required to obtain bids from at least three (3) subcontractors for each construction line item. Thus, the SPHDC has the expertise and systems in place to bring in the resources necessary to successfully complete the Thornton Heights Commons project.

4.b. Past Performance and Accomplishments

4.b.ii Has Not Received an EPA Brownfields Grant but has Received Other Federal or Non-Federal Assistance Agreements

The SPHA, of which the SPHDC is an affiliate and shares staff members, has successfully received and managed the following Federal Assistance Agreements: **Resident Opportunities and Self-Sufficiency (ROSS) Grant**. Awarded by U.S. Department of Housing and Urban Development (HUD). Fiscal Year 15. \$246,000. Purpose and Accomplishments: U.S. Department of Housing and Urban Development (HUD) grant for \$246,000 to provide resident service coordination staff support to 346 units of family and elderly living in public housing. The grant successfully accomplished the goal of providing support services for elderly aging in place and the goal of providing support for management of Medicare, nutrition training, fraud avoidance for the elderly training, mental health referral services and on-site classes in health/pain management for seniors. The grant was not successful in accomplishing goals related to financial self-sufficiency. Compliance: The SPHA completed all reporting in a manner acceptable to HUD. In regards to the unsuccessful achievement of the financial self-sufficiency goals, the SPHA has worked with HUD to modify the grant application for fiscal year 2019.